



**United States Attorney's Office
District of Columbia**

**Channing D. Phillips
Acting United States Attorney**

PRESS RELEASE

FOR IMMEDIATE RELEASE

Thursday, August 6, 2009

USAO Public Affairs

(202) 514-6933

www.usdoj.gov/usao/dc

Former NASA Official Found Guilty in Scheme to Steer “Earmarked” NASA Funds to Consulting Client

WASHINGTON - A former high-ranking National Aeronautics and Space Administration (“NASA”) official, Courtney A. Stadd, 54, of Bethesda, Maryland, has been found guilty, by a jury, of three federal offenses in connection with actions he took in 2005 that resulted in over \$9.5 million of NASA funds being allocated to one of his consulting clients, Acting U.S. Attorney Channing D. Phillips and Acting NASA Inspector General Thomas J. Howard announced today. The jury found Stadd guilty of one count of Acts Affecting a Personal Financial Interest, in violation of 18 U.S.C. § 208, and two counts of False Statements, in violation of 18 U.S.C. § 1001. The Honorable Rosemary M. Collyer, of the U.S. District Court for the District of Columbia, presided over the trial and will sentence Stadd on November 6, 2009.

According to the facts presented at trial, Stadd, who previously served as NASA Chief of Staff and White House Liaison, returned to NASA in April of 2005 as a Special Government Employee in the Office of the Administrator. At the same time, Stadd was also the president of a private consulting business, Capitol Solutions. Stadd exerted his authority as a Special Government Employee to ensure that \$12 million of a \$15 million Congressional “earmark” for earth science applications was spent in Mississippi, where one of his clients, Mississippi State University, was located. Mississippi State University received \$9,603,428 of the “earmarked” funds from NASA. Stadd later sent an invoice to Mississippi State University for his actions on the “earmark” allocation and also cited those actions to support a request for a pay raise from Mississippi State University. As part of his scheme, Stadd made false statements to NASA ethics officials concerning his participation in NASA matters involving Mississippi State University.

In announcing the guilty verdicts, Acting U.S. Attorney Phillips and Acting NASA Inspector General Howard commended the outstanding investigative work of the agents of the NASA Office of Inspector General. They also praised the efforts of Victim/Witness Coordinator Dawn Tolson-Hightower, Litigation Support Specialists Joseph Calvarese and Kimberly Smith,

Legal Intern Susan Millenky, Legal Assistant Jamasee Lucas, Paralegal Specialists Diane Hayes, Carolyn Cody, and Margaret McCabe, and Assistant U.S. Attorneys David Johnson and Matthew Solomon, who prosecuted the case.

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